WARRINGAH BOWLING CLUB

2021 ANNUAL REPORT

WARRINGAH BOWLING CLUB LIMITED
ABN 85 000 014 219

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NOTICE OF 119TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY given that the one hundred and sixteenth Annual General Meeting of the Warringah Bowling Club Ltd will be held in the clubhouse, 74-82 Bradleys Head Road, Mosman at 10am Sunday 30th January 2021

BUSINESS

1 Attendance - Establishment of a Quorum of 20 full members.

2 Apologies.

3 To confirm the minutes of the previous Annual General Meeting held on 29th November 2020

4 Business arising from the minutes.

5 To receive and consider the Statement of Financial Position, Profit & Loss Account and the reports of the Chairman & Treasurer.

Copies of the 2021 Annual Report will be on the club website or available by request to the Secretary Manager on or after Monday 10th January 2022

6 To deal with any other business of which due notice has been given. All business and notices of motion to be dealt with at the Annual General Meeting shall be in writing and must be received by the Secretary Manager no later than 28 days prior to the date of the Annual General Meeting.

7 To declare the results of the election of the Chairman and up to six other directors for the ensuing year and, if necessary, to elect further directors.

By Order of the Board

Alex Sangkuhl
Secretary Manager
Dated at Mosman this 16th day of December 2021

WARRINGAH BOWLING CLUB LIMITED
A.B.N 85 000 014 219

Chairman's Report 2021

Well, what a time to be a club director! The board asked me to step up to the Chair in January, after Chairman elect, David Foster, reluctantly stood down for health reasons. Two lockdowns down, 2 years at 25-50 % capacity and heavy restrictions have obviously hurt the club significantly. Just over 2 years ago I sat on a board approving the complete staged refurbishment of the club, I'm proud to have delivered that, I'd just like the opportunity to use it effectively! All of your directors took on portfolios this year, and I'd like to thank them for their work, in particular seeking and receiving several government grants which has allowed us to plan more effectively for the future.

The good news to have come out of the year is that we have been able to re-finance our debt with the National Australia Bank in a long-term arrangement at a very market competitive rate. The consequence of this, coupled with heavy depreciation on assets we have not yet been able to fully utilise, is the net loss you see in the financial report. The positive note is that we made a very substantial cash surplus from operating activities, by far the best we've had to my knowledge, which displays that the underlying business working, despite all the disruption.

The Board has looked to diversify our business given the ongoing uncertainty we are facing globally, as such we took the opportunity of the latest lockdown to rebuild the kitchen, including a pizza kitchen, this will enable us to maximise profitability, and the feedback we've been receiving on our menu is fantastic. We also hope to have our new bottle shop up and running by the end of January. Hopefully this will help us erode the deficiency we have in gaming income to our competitors.

Other points to note during the year are that we withdrew our outdoor gaming DA as requested by council in order to provide more information, were lodged in October and this is currently being assessed. We have experienced significant hostility from a few neighbours who enjoyed the silence of lockdown and seem determined to shut the club down. This resulted in a significant legal battle with council, I'm pleased to say the outcome was in our favour, however the costs incurred were significant. We also invested significantly in a full acoustic treatment of the roof. We have had neighbours ring the police at 3pm on a Friday to complain about bowlers bowling on the bowling greens. This is absurd, the best thing members can do is get out and enjoy the greens!

Lastly, late last year the Secretary in conjunction with experienced consultants, presented a plan to secure the club's future for the next 99 years. I look forward to evaluating this with the new Board and presenting to members early this year.

Graham Walton

Chairman

WARRINGAH BOWLING CLUB LIMITED
A.B.N 85 000 014 219

President's Report 2021

Fellow Members,
It is with great pleasure that I bring to you this year's President's Report!
In a year full of surprises, we did manage several highlights, the first of which was having WBC represented at the Australian Open by Jesse Yates & David McCredie with a pleasing result of two wins from their three pool matches in the Open Pairs tournament in June 2021. There has already been interest from other members to continue representing our club at this year's Open which is to be played in June 2022, again on the Gold Coast.
Our Scholarship Program continues to attract new bowlers to the club by recognising new talent and offering to support them in their first year of bowls. We already have a further three players that look set to take up the offer in 2022.
We have a total of 46 players on our bowlers list, the majority of which have renewed their membership. We have a good foundation of keen bowlers heading into the 2022 Pennants Season.
Thank you to all the members that assisted with various duties throughout the year. Particular mention goes out to Greg Cutler, Mal Gale & Rusty Tuckwell.
Whilst 2021 has been challenging, we have been successful in getting all championships played in time, with the Major Singles currently in action to round out the year.
The race is heating up to determine the 2021 Player of the Year. We have 3 players in contention; John Taylor, Mal Gale & Tim Stanford. All players are still in with a shot to take out the Singles, however, JT is the hot favourite at present for the overall title having won the Minor Singles, Major Pairs and runner-up in the Major Fours.
Our 2021 Winners include:
● Minor Singles Champion - John Taylor
● Major Singles Champion - TBA
● Major Pairs Champions - John Taylor & Matt Barry
● Major Triples Champions - Rusty Tuckwell, Tim Stanford & Mal Gale
● Major Fours Champions - Matt Cowley, Will Marr, Jim Broughton & Martin Fitzgerald.
Happy New Year Everyone and best of bowling to you all.

David McCredie

President

WARRINGAH BOWLING CLUB LIMITED
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Secretary Manager's Report 2021

Another tough year of rolling restrictions and uncertainty. That sums up 2021. When writing the 2019 report we had just completed the first major stage of our refurbishment future, were fully booked and looking forward to the future. Little did we know that would last less than 12 weeks. Trading with no certainty and continuing changes to restrictions has been difficult, no doubt our industry has suffered the most. In fact, we were only able to use our function bar for a total of 7 weeks in FY 2021 due to restrictions! Couple that with a few neighbours determined for the quiet of lock down to continue forever, and some vexatious actions, throw in a flood, it's been a year to forget. Obviously, this situation is not going anywhere so I'll speak a bit to the financial report and then what the board has implemented to counter the issues.

The most positive part of our 2021 financial report is that cash flow from operating activities was positive $130k, the highest I can recall, indicating that the underlying club business is on a solid footing. The net loss for 2021 was significantly impacted by some one-off issues. Notably, interest for the balance of our original loan was brought in at $124k. This was due to the fact we secured financing with the NAB at 2.93% on a long-term basis and rolled the debt over. Estimated annual interest looking forward is circa $40k per annum which is very manageable.

Depreciation rose from $80k to $140k, reflecting the investment in assets over the previous 2 years. Clearly the restrictions have rendered it impossible to capitalise on this investment. In order to counter this, we have invested in a new kitchen during lockdown, which will has allowed us to move the club towards more of a dining focus, rather than big event focus. This reduces labour and improves margins. We purchased a pizza oven, and in conjunction with a new bottle shop we intend on opening shortly, this allows us the flexibility of offering takeaway, further diversifying the business.

Security costs incurred were $28k, insisted on by licensing police to enforce the restrictions & regulations. Casual wages increased $200k on increased income of $475k. We worked with no supervisors for the last 2 years, however as some degree of certainty has come returned, we are in the process of employing 2 supervisors to work with security and management to reduce casual wages. The board has also employed a bookkeeper and accountant to take this estimated 2-3 days a week off my desk from January in order to focus on streamlining and promoting the business.

Legal fees of $22k were incurred $4k for loan fees, and $16k in our dispute with council over the Pavilion, generated by neighbours' complaints. Council ultimately withdrew this action and agreed on a position with us. I do not anticipate this fee again.

The pandemic has highlighted the exposure of our business without gaming revenue. I have re-submitted a DA to council and expect to represent the club in front of the independent panel in February. I am also currently re-negotiating the rental agreement with our childcare centre operators. This will have a retrospective effect on the figures presented.

Finally, I have presented to the board, with some very experienced consultants, a plan to modernise the club and protect its future for the next 99 years. Hopefully the board will be able to discuss and present this to members soon.

Alex Sangkuhl B.Comm (Accg)

Secretary Manager

WARRINGAH BOWLING CLUB LIMITED
A.B.N 85 000 014 219

DIRECTORS' REPORT

The Directors are pleased to submit for approval the Financial Report of the Club for the year ended 30 June 2021.

1. The names of the Directors in office at any time during or since the end of the year are:-
   G. Cutler (Appointed 13th November 2016)
   G. Walton (Appointed 13th November 2016)
   P. Read (Appointed 13th November 2016)
   E. Moline (Appointed 30th November 2019)
   D. McCredie (Appointed 30th November 2019)
   J. Robson (Appointed 30th November 2019)
   R. Tuckwell (Appointed 25th November 2018)
   D. Foster (Appointed 29th November 2020)
   J. Taylor (Appointed 29th November 2020)
   M. Gale (Appointed 29th November 2021)
   L. Macpherson (Appointed 29th November 2021)

2. The principal activity of the Club during the financial year was the promotion and conduct of the game of Lawn Bowls.

3. The company incurred a deficit of $251,126 (2020: deficit $107,914)

4. Short Term and Long-term Objectives
   The Club aims to provide an exceptional experience for members and guests in a welcoming and progressive environment. To achieve this objective the Board seeks to consolidate the Club's financial position by planning for current revenues to fund operational needs and to contribute to future capital expenditure requirements for enhancement of our bowling and clubhouse facilities.

5. Strategies
   The Board has endorsed and regularly reviews its Strategic Business Plan for the achievement of short and long term objectives including:
   5.1 Promoting participation in the game of lawn bowls through promotions, members' events and creating an active social calendar to attract new members.
   5.2 Establishing a profitable catering & bistro operation.
   5.3 Establishing a reliable revenue stream from gaming activities.
   5.4 Creating a modern, comfortable & well serviced bar & lounge facility.
   5.5 Streamlined administration and effective communication with members.
   5.6 Building the club's profile in the local area through events in conjunction with local community organisations.

6. Key Performance Measures
   The Board has established planning and budget protocols consistent with maintaining control over the Club's operations and financial performance.

   Significant business initiatives and expenditure are approved by the Board, or appropriate delegate.

   All unplanned business outcomes, performance variances, and adverse circumstances (including weather events) are reviewed by management and the Board with a view to managing responses to protect and optimise the performance of the Club.

   Annual audited financial reports for the following year are reported to members at the AGM. Additional business and operational related reports are provided to members on a periodic basis during the year.

DIRECTORS' REPORT

7. Additional information regarding Directors

CURRENT DIRECTORS	EXPERIENCE & QUALIFICATIONS	POSITION	BOARD MEETINGS A/B
Greg Cutler	5 Years on the Board Carpenter	Director	7/11
Graham Walton	5 Years on the Board Company Director	Chairman	11/11
Libby Moline	3 Years on the Board Councillor	Vice President	11/11
David McCredie	3 Year on the Board Travel Agent	President	10/11
Malcolm Gale	6 Years on the board (incl previous service) Company Director	Director	6/6
Dr John Taylor	1 Year on the board Academic	Director	6/6

A – Number of meetings attended
B – Number of meetings eligible to attend

RETIRED DIRECTORS	EXPERIENCE & QUALIFICATIONS	POSITION	BOARD MEETINGS A/B
Peter Read	4 Years on the Board Past Treasurer Company Director	Chairman & Treasurer	5/5
Russell Tuckwell	2 Year on the Board Retired IT Manager	Treasurer	5/5
Justin Robson	2 Year on the Board Artist	Director	5/5
David Foster	1 Year on the Board Retired Company Director	Chairman	1/1

Leo Macpherson	1 Year on the Board Retired Accountant	Director	3/3

A – Number of meetings attended
B – Number of meetings eligible to attend

8. The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of $10 each towards any outstanding obligations of the company. At 30 June 2021, the total amount that members of the company are liable to contribute if the company is wound up is $23,730 (2020 $20,430)

9. Auditor's Independence Declaration
   The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 10 of the Financial Report.

Signed on behalf of the Directors in accordance with a resolution of the Board.

Graham Walton
Chairman

John Taylor
Director

Signed at Mosman, dated 23rd December 2021

ROBERTS NISSEN *Chartered Accountants*

Lead Auditors Independence Declaration
Under Section 307C of the *Corporations Act 2001*

To the directors of Warringah Bowling Club Limited:

I declare that, to the best of my knowledge and belief; in relation to the audit of the financial year ended 30 June 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relations to the audit.

Roberts Nissen
Chartered Accountants

Scott Bennison
Partner

Dated: 23/12/2021

Level 3, 1 James Place, North Sydney, NSW 2060.
Phone: 02 8071 0300

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $	2020 $
Revenue			
Sales Revenue	2	1,178,140	779,655
Cost of Sales	3	(486,229)	(372,537)
Gross Profit		691,911	407,118
Other Income	2	529,355	468,905
Expenses			
Administration Expenses	3	(158,184)	(84,650)
Employee benefits Expenses	3	(662,832)	(453,307)
Depreciation & Amortisation	5	(139,279)	(79,880)
Bowls Related Expenses	3	(69,562)	(68,296)
Repairs & Maintenance	3	(81,940)	(46,713)
Operational Expenses	3	(158,307)	(124,411)
Interest Expense	3	(127,799)	(70,853)
Other Expenses	3	(74,489)	(55,827)
Current Year (Deficit)/ Surplus		(251,126)	(107,914)
Current Year (Deficit)/ Surplus before Income Tax		(251,126)	(107,914)
Income Tax Expense		-	-
Total Comprehensive Income for the year, attributable to members of the Club		(251,126)	(107,914)

The accompanying notes form part of these financial statements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N 85 000 014 219

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 $	2020 $
ASSETS			
Current Assets			
Cash	7	212,617	494,280
Receivables	8	5,730	14,383
Inventories	10	43,992	40,945
Other Assets	9	35,472	186,919
Total Current Assets		297,811	736,527
Non Current Assets			
Property, plant and equipment	11	4,844,679	4,625,799
Total Non Current Assets		4,844,679	4,625,799
Total Assets		5,142,490	5,362,326
LIABILITIES			
Current Liabilities			
Trade & other payables	12	310,052	210,649
Borrowings	13	1,310,000	200,000
Tax Liabilities	14	24,184	1,180
Short Term Provisions	15	19,541	20,658
Total Current Liabilities		1,663,777	432,487
Non Current Liabilities			
Borrowings	13	-	1,200,000
Total Non Current Liabilities		-	1,200,000
Total Liabilities		1,663,777	1,632,487
Net Assets		3,478,713	3,729,839
ACCUMULATED FUNDS AND RESERVES			
Retained Surplus		(1,214)	249,912
Reserves	6	3,479,927	3,479,927
Total Accumulated Funds and Reserves		3,478,713	3,729,839

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Accumulated Funds $	Asset Revaluation Reserve $
Balance as at June 30, 2018	354,111	3,479,927
Surplus/(Deficit) attributable to members	3,715	-
Balance as at June 30, 2019	357,826	3,479,927
(Deficit)/ Surplus attributable to members	(107,914)	-
Balance as at June 30, 2020	249,912	3,479,927
(Deficit)/ Surplus attributable to members	(251,126)	-
Balance as at June 30, 2021	(1,214)	3,479,927

Asset Revaluation Reserve
The Asset Revaluation Reserve records revaluations of non-current assets.

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $	2020 $
Cash Flows from Operating Activities			
Receipts from Customers		1,758,126	1,248,560
Payments to Suppliers		(1,614,508)	(1,177,643)
Interest Received		3	79
Interest Paid		(14,392)	(70,853)
Net Cash Provided by/ (used in) Operating Activities	7	129,229	143
Cash Flows from Investing Activities			
Payment for Property, Plant and Equipment		(320,892)	(505,353)
Net Cash (Used in)/ provided by Investing Activities		(320,892)	(505,353)
Cash Flows from Financing Activities			
Proceeds from Loans		-	1,210,000
Repayment of Loans		(90,000)	(316,785)
Net Cash (Used by)/ provided by Financing Activities		(90,000)	893,215
Net (Decrease)/ Increase in Cash and Cash Equivalents Held		(281,663)	388,004
Cash and Cash Equivalents at Beginning of Year		494,280	106,276
Cash and Cash Equivalents at End of Year	7	212,617	494,280

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE 2021 FINANCIAL STATEMENT8S

The financial statements are for Warringah Bowling Club Limited as an individual not for profit entity, incorporated and domiciled in Australia. Warringah Bowling Club Limited is a company limited by guarantee.

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Going Concern

The Directors continue to prepare these accounts on a going concern basis even though there was a net loss of $251,126 (2020: net loss $107,914). The current assets fell short of current liabilities by $55,966 excluding loan facility borrowings (2020: surplus $304,040) but there continues to be a positive cash flow surplus from operating activities $129,229 (2020: $142). The Board has put strategies in place to ensure that the company is able to pay its debts as and when they fall due. The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

a) Income Tax

No provision for income tax is required as the company is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997, due to its promotion of bowls.

b) Inventories

Inventories are measured at the lower of cost and current replacement cost on an average cost basis.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

c) Impairment of Assets

At the end of each reporting period, the company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income.

When the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is assessed as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the company estimates the recoverable amount of the cash generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost of fair value, less where applicable, any accumulated depreciation and impairment losses.

Freehold Property

Freehold land is shown at its fair value based on periodic, valuations by external independent valuers.

In periods when the freehold land is not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land are recognised in other comprehensive income. Revaluation decreases that offset previous increases of the same class of assets are recognised in other comprehensive income under the heading revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.
Buildings are carried at cost, less accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their useful lives to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Classes of Fixed Asset	**Depreciation Rate**
Buildings	0.0%-2.5%
Furniture and Fittings	10.0%-33.0%
Plant and Equipment	5.0%-50.0%
Greens and Surrounds	10.0%-20.0%

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised on profit or loss in the period in which they arise.

e) Leases

For comparative year:
Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

For current year:
At inception of a contract, the company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.

The company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

The company has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The estimated life of the right-of-use assets is based on those of property, plant and equipment. The right-of-use asset is subject to the impairment requirements and is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

f) Employee Provisions

(i) Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and personal leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

(ii) Other long-term employee provisions

Provision is made for employees' long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees rendered the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary level, duration of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. For other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligation for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

g) Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

h) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(c) for further discussion on the determination of impairment losses.

i) Revenue

For the current year

The core principal of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the company expects to receive in exchange for these goods and services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred.

Revenue from the sale of goods and delivery of services is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of goods and services tax.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer. All revenue is stated net of the amount of goods and services tax.

j) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position. Cash flows are presented on a net basis. The GST components of cash flows arise from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

k) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligations at the end of the reporting period.

l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

m) New Accounting Standards for Application in Future Periods

The company has adopted these Standards which became effective for the first time at 30 June 2021.

n) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

o) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

p) Financial Instruments

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

(ii) Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:

– amortised cost; or
– fair value through profit or loss.

A financial liability is measured at fair value through profit and/or loss if the financial liability is:

– a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
– held for trading; or
– initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

– incurred for the purpose of repurchasing or repaying in the near term;
– part of a portfolio where there is an actual pattern of short-term profit taking; or
– a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

– amortised cost;
– fair value through other comprehensive income; or
– fair value through profit or loss.

Measurement is on the basis of two primary criteria:

– the contractual cash flow characteristics of the financial asset; and
– the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

– the financial asset is managed solely to collect contractual cash flows; and
– the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

– the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and

– the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The company initially designates a financial instrument as measured at fair value through profit or loss if:

– it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
– it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
– it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities:

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

– the right to receive cash flows from the asset has expired or been transferred;
– all risk and rewards of ownership of the asset have been substantially transferred; and
– the company no longer controls the asset (ie the company has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

NOTES TO AND FORMING PART OF THE 2021 FINANCIAL STATEMENTS

	2021 $	2020 $
NOTE 2: REVENUE AND OTHER INCOME		
Sales Revenue		
Bar Sales	851,540	550,431
Functions & Catering Income	326,600	229,224
	1,178,140	779,655
Other Income		
Poker Machine Revenue	43,088	52,761
Bowling Green Income	52,151	38,915
Subscriptions	36,742	23,347
Rents Received	308,240	304,654
Interest Received	3	79
Other Income	89,131	49,149
	529,355	468,905
Total Income	1,707,495	1,248,560
NOTE 3: EXPENSES		
Cost of Sales		
Cost of Sales – Bar	308,448	200,422
Cost of Sales – Function & Catering	177,781	172,115
	486,229	372,537
Other Expenses		
Bowls Related	69,562	68,296
Employee Benefits	662,832	453,307
Administration	158,184	84,650
Repairs & Maintenance	81,940	46,713
Other Expenses	74,489	55,827
Depreciation & Amortisation	139,279	79,880
Interest Expense	127,799	70,853
Operational Expenses	158,307	124,411
	1,472,392	983,937
	1,958,621	1,356,474
Auditor's Remuneration		
Auditor's Remuneration	9,870	9,870
NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION		
Short term benefits	178,846	171,744
Post employment benefits	16,990	16,319
Long term benefits	22,358	17,872
Total Compensation	218,194	205,935

	2021 $	2020 $
NOTE 5: DEPRECIATION & AMORTISATION		
Clubhouse	19,169	11,041
Furniture & Fittings	34,869	26,546
Plant & Equipment	32,970	26,624
Greens & Grounds	3,336	2,556
Poker Machines	11,668	8,417
Amortisation of Borrowing Costs	37,267	4,696
	139,279	79,880

NOTE 6: RESERVES

Asset Revaluation Reserve	3,479,927	3,479,927

NOTE 7: CASH ON HAND

a) Bank accounts

Trading Account	186,948	467,533
Interest Bearing Account	390	390
Trophies Account	1,530	1,530
Women's Accounts	-	6,157
Clearing Accounts	985	2,592
Foundation Account	3,924	3,923
Construction Account	13,450	1,151
Cash on Hand	5,390	11,004
	212,617	494,280

b) Reconciliation of cash flow from operating activities with Current Year (Deficit)/ Surplus

(Deficit)/ Surplus after Income Tax	(251,126)	(107,914)
Non-cash flows in operating profit		
Depreciation of Plant & Equipment	102,012	75,183
Changes in Assets & Liabilities		
Decrease/ (increase) in Trade Debtors	151,448	990
Decrease/ (increase) in Inventories	(3,047)	(6,734)
Decrease/ (increase) in Prepayments	8,653	4,733
(Decrease)/ Increase in Trade Creditors & Accruals	122,406	18,515
Increase/ (decrease) in Provisions	(1,117)	16,824
(Decrease)/ Increase in Income in Advance	-	(1,455)
Net Cash Provided by Operating Activities	129,229	143

NOTE 8: RECEIVABLES

Trade Debtors	5,730	14,383

NOTES TO AND FORMING PART OF THE 2021 FINANCIAL STATEMENTS

i. Provision for Doubtful Debts

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

Movement in the provision for impairment of receivables is as follows:

Provision for Impairment as at 30 June 2020	NIL	NIL
Provision for Impairment as at 30 June 2021	NIL	NIL

ii. Credit Risk – Accounts Receivable and Other Debtors

The company does not have any material credit risk exposure to any single receivable or group of receivables.
The following table details the company's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount	Past due & impaired	Past due but not impaired (days overdue)			Within initial trade terms
			<30	31-60	61-90	
2020						
Trade receivables	14,383	-	-	-	-	
Other receivables	-	-	-	-	-	14,383
Total	14,383	-	-	-	-	14,383
2021						
Trade receivables	5,730	-	-	-	-	
Other receivables	-	-	-	-	-	5,730
Total	5,730	-	-	-	-	5,730

	2021 $	2020 $
NOTE 9: OTHER ASSETS		
Prepayments	9,388	3,650
Prepaid Interest	7,498	116,965
Borrowing Cost	44,516	44,516
Less Accumulated Amortisation	(41,964)	(4,696)
Other Debtors	16,034	26,484
	35,472	186,919
NOTE 10: INVENTORIES		
Stock on Hand	43,992	40,945

NOTE 11: PROPERTY, PLANT & EQUIPMENT

Freehold Land		
At valuation	3,600,000	3,600,000
Clubhouse		
Clubhouse at Cost	835,589	688,999
Less: Accumulated Depreciation	(61,422)	(42,252)
	774,167	646,747
Plant & Equipment		
Equipment at Cost	426,788	380,356
Less: Accumulated Depreciation	(242,239)	(209,268)
	184,549	171,088
Furniture & Fittings		
Furniture at Cost	418,060	362,819
Less: Accumulated Depreciation	(230,364)	(195,495)
	187,696	167,324
Greens & Surrounds		
Greens at Cost	54,016	41,116
Less: Accumulated Depreciation	(28,897)	(25,561)
	25,119	15,555
Poker Machines		
Poker Machines at Cost	126,520	66,790
Less: Accumulated Depreciation	(53,372)	(41,705)
	73,148	25,085
Total	4,844,679	4,625,799

Movement in Carrying Amounts

2020	**Furniture & Fittings**	**Clubhouse**	**Plant & Equipment**	**Greens & Surrounds**	**Poker Machines**	**Total**
Net Book Value Brought Forward	107,097	307,194	132,342	15,493	33,502	595,628
Additions (Disposals)	86,773	350,594	65,370	2,618	-	505,355
Depreciation Expense	(26,546)	(11,041)	(26,624)	(2,556)	(8,417)	(75,184)
Carrying amount at end of year	167,324	646,747	171,088	15,555	25,085	1,025,799

2021	**Furniture & Fittings**	**Clubhouse**	**Plant & Equipment**	**Greens & Surrounds**	**Poker Machines**	**Total**
Net Book Value Brought Forward	167,324	646,747	171,088	15,555	25,085	1,025,799
Additions (Disposals)	55,241	146,589	46,431	12,900	59,731	320,892
Depreciation Expense	(34,869)	(19,169)	(32,970)	(3,336)	(11,668)	(102,012)
Carrying amount at end of year	187,696	774,167	184,549	25,119	73,148	1,244,679

NOTES TO AND FORMING PART OF THE 2021 FINANCIAL STATEMENTS

	2021 $	2020 $
NOTE 12: TRADE & OTHER PAYABLES		
Trade Creditors	148,645	58,661
PAYG Payable	74,558	104,075
Other Payables	86,849	47,913
	310,052	210,649

NOTE 13: BORROWINGS

Current	1,310,000	200,000
Non-current	-	1,200,000
	1,310,000	1,400,000

NOTE 14: TAX LIABILITIES

GST Liability	24,184	1,180
	24,184	1,180

NOTE 15: PROVISIONS – CURRENT

Provision for Annual Leave	(2,817)	2,786
Provision for Long Service Leave	22,358	17,872
	19,541	20,658

The current portion for this provision includes the total amount accrued for annual leave entitlements that have vested due to employees having completed the required period of service.

Based on past experience, the company does not expect the full amount of annual leave classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

NOTE 16: RELATED PARTY TRANSACTIONS

a) Key Management Personnel. During the reporting period the company did not employ anybody who was a close relative of a Director or Top Executive.

b) Other Related Parties:

During the year the Club's Director, Russell Tuckwell, was engaged for regular cellar maintenance & beer line cleaning. The Company paid $39,350+ GST for the services provided under the entity Russell Tuckwell Services.

The Club also engaged Director, Malcolm Gale, for repairs due to flood damages. The Company paid $28,236+ GST for the services provided under the entity Mosman Bathroom Renovations.

NOTE 17: MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Constitution state that each member is required to contribute a maximum of $10 each toward meeting any outstanding obligation of the company. At 30 June 2021, the number of members was 2,373 - $23,730 (2020: 2,043).

	2021 $	2020 $
NOTE 18: CAPITAL AND LEASING COMMITMENTS		
(a) Finance lease Commitments	NIL	NIL
(b) Hire Purchase Commitments	NIL	NIL

NOTE 19: CONTINGENT LIABILITY

At the 30th June 2021 the company had no Contingent Liabilities.

NOTE 20: SUBSEQUENT EVENTS

The Company has initiated strict policies and procedures to address the health and wellbeing of employees, members, consultants and contractors with the COVID-19 pandemic. The timing and extent of the impact and recovery from COVID-19 is not yet known however these events may have a post balance date impact.

The Club has refinanced its borrowings to NAB in July 2021.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

NOTE 21: SEGMENT REPORTING

The company operates predominantly in one industry. The principal activities of the company are those of a Bowling company. The company operates in one geographical area being Mosman, NSW Australia.

NOTE 22: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, accounts receivable and the totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, as follows:

	NOTE	2021 $	2020 $
Financial Assets			
Cash on Hand	7	212,617	494,280
Accounts receivables and other debtors	8	5,730	14,383
		218,347	508,663
Financial Liabilities			
Financial liabilities at amortised cost			
- Accounts Payable and other payables	12	310,052	210,649
- Taxes Payable	14	24,184	1,180
- Borrowings	13	1,310,000	1,400,000
		1,644,236	1,611,829

Financial Risk Management Policies

The committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risk the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

a. Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial rate instruments.

The financial instruments that expose the company to interest rate risk are limited to cash on hand and fixed rate borrowings.

The company also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

b. Liquidity Risk

Liquidity Risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- Maintaining a reputable credit profile;
- Managing credit risk related to financial assets;
- Investing only in surplus cash with major financial institutions; and
- Comparing the majority profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

NOTES TO AND FORMING PART OF THE 2021 FINANCIAL STATEMENTS

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial liability and financial asset maturity analysis

	Within 1 Year		1-5 Years		Total Contractual Cash Flow	
	2020 $	**2021 $**	**2020 $**	**2021 $**	**2020 $**	**2021 $**
Financial Liabilities Due for Payment						
Unsecured Notes	200,000	110,000	-	-	200,000	110,000
Mortgage	-	1,200,000	1,200,000	-	1,200,000	1,200,000
Trade and Other Payables (excluding estimated Annual Leave and Deferred Income)	211,829	334,236	-	-	211,829	334,235
Total Expected Outflows	411,829	1,644,236	1,200,000	-	1,611,829	1,644,235

Financial liability and financial asset maturity analysis

	Within 1 Year		1-5 Years		Total Contractual Cash Flow	
	2020 $	**2021 $**	**2020 $**	**2021 $**	**2020 $**	**2021 $**
Financial Assets – Cash Flows Realisable						
Cash on Hand	494,280	212,617	-	-	494,280	212,617
Trade Term and Loans Receivables	14,383	5,730	-	-	14,383	5,730
Total Anticipated Inflows	508,663	218,347	-	-	508,663	218,347
Net (Outflow) Inflow on Financial Instruments	96,834	(1,425,889)	(1,200,000)	-	(1,103,166)	(1,425,889)

c. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the company.
Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Credit Risk Exposures
The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts Receivable and other receivables that are neither past due nor impaired are considered to be of quality. Aggregates of such amounts are as detailed in Note 8.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company. The trade receivables balance at 30 June 2021 and 30 June 2020 do not include any counter parties with external credit ratings.

Customers are assessed for credit criteria worthiness based on enquiry of the customer and management due diligence enquiries.

Credit risk related to balances with banks and other financial institutions is managed by the committee in accordance with approved Board policy. The following table provides information regarding credit risk relating to cash and cash equivalents.

	Note	2021 $	2020 $
Cash and Cash Equivalents	7	212,617	494,280

Net Fair Values
Fair Value Estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below.

		2020		2021	
	Footnote	Carrying	Value	Carrying	Value
Financial Assets					
Cash on Hand	(i)	494,280	494,280	212,617	212,617
Accounts Receivables & Other Debtors	(i)	14,383	14,383	5,730	5,730
Total Financial Assets		508,663	508,663	218,347	218,347
Financial Liabilities					
Accounts Payables and other Payables	(i)	411,829	411,829	444,236	444,236
Total Financial Liabilities		411,829	411,829	444,236	444,236

The fair values disclosed in the above tables have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for, relating to annual leave and deferred income which is not considered a financial instrument.

NOTE 23: CAPITAL MANAGEMENT

The Board controls the capital of the company to ensure that adequate cash flows are generated to fund its operations.

Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

NOTE 24: CORE PROPERTY

The company's core property comprises the defined trading premises situated at 74-82 Bradleys Head Road, Mosman and the leased childcare centre at 72 Bradleys Head Road, Mosman.

WARRINGAH BOWLING CLUB LIMITED
A.B.N 85 000 014 219

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 34 are in accordance with the Corporations Act 2001

   (a) Comply with Australian Accounting Standards; and

   (b) Give a true and fair view of the financial position of the company as at 30 June 2021 and of the performance for the year ended on that date of the company.

2. In the opinion of the Directors there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Board of Directors.

Graham Walton
Chairman

John Taylor
Director

Dated 23rd December 2021

ROBERTS NISSEN *Chartered Accountants*

Lead Auditors Independence Declaration
Under Section 307C of the *Corporations Act 2001*

To the directors of Warringah Bowling Club Limited:

I declare that, to the best of my knowledge and belief; in relation to the audit of the financial year ended 30 June 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relations to the audit.

Roberts Nissen
Chartered Accountants

S Bennison

Scott Bennison
Partner

Dated: 23/12/2021

Level 3, 1 James Place, North Sydney, NSW 2060.
Phone: 02 8071 0300

ROBERTS NISSEN *Chartered Accountants*

Report of the Audit of the Financial Report

To the members of Warringah Bowling Club Limited.

We have audited the financial report of Warringah Bowling Club Limited (the company), which comprises the statement of position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of change in equity and statement of cash flows for the year then ended, and notes to the financial statements; including a summary of significant accounting policies, and the responsible entity's declaration.

In our opinion, the accompanying financial report in in accordance with the *Corporations Act 2001*, including:

(a) Giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the independence declaration required by the Corporations Act 2001, which has been given to the director of the company, would be in the same terms if given to the director as a the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw your attention to note 13 of the financial statements, 'Borrowings' of the current liability external borrowing of the company and the ability of the company to repay this facility within the next 12 months.

We confirm that the current liability loan facility, previously non-current liability, was refinanced with the National Australia Bank in July 2021 and therefore will not be required to be paid within the next 12 months.

Other Information
The Directors of the company are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Director's for the Financial Report
The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001* and for such internal controls as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the company either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors of the company are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not